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CB02-155

MANUFACTURING AND TRADE INVENTORIES AND SALES

October 2002

Sales. The Census Bureau of the Department of Commerce announced today that the combined value of distributive trade sales and manufacturers' shipments (excluding semiconductors) for October, adjusted for seasonal and trading-day differences but not for price changes, were estimated at \$831.7 billion, up 0.4 percent ($\pm 0.2\%$) from September and were up 1.8 percent ($\pm 0.3\%$) from October 2001.

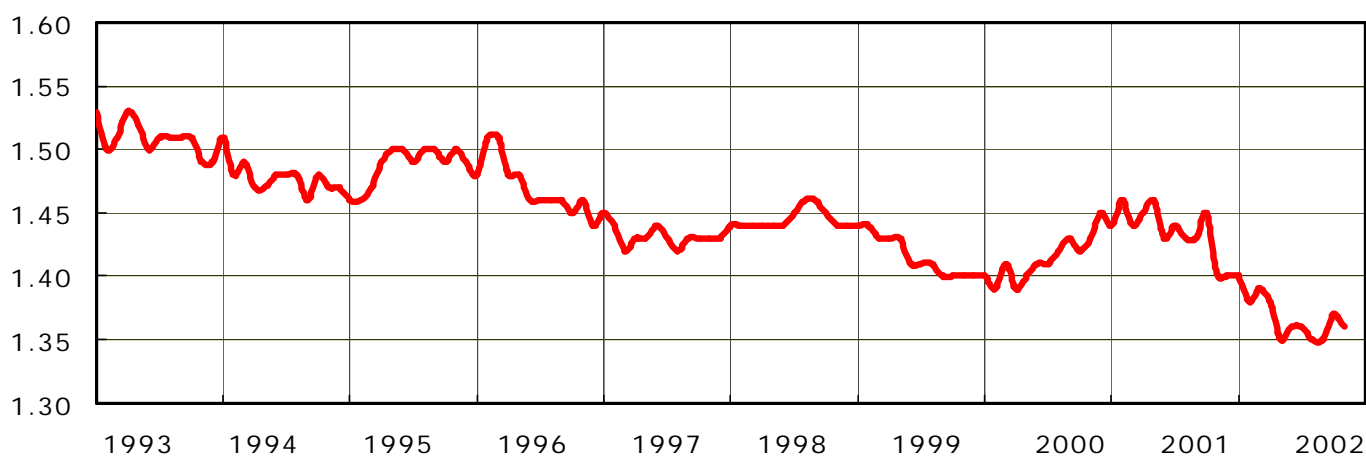
Inventories. Manufacturers' and trade inventories (excluding semiconductors) adjusted for seasonal variations but not for price changes, were estimated at an end-of-month level of \$1,134.0 billion, up 0.2 percent ($\pm 0.2\%$) from September, but were down 0.6 percent ($\pm 0.3\%$) from October 2001.

Inventories/Sales Ratio. The total business inventories/sales ratio based on seasonally adjusted data at the end of October was 1.36. The October 2001 ratio was 1.40.

The scheduled release dates for 2003 are as follows: January 15, February 14, March 14, April 14, May 15, June 12, July 16, August 13, September 15, October 16, November 17, December 11.

Total Business Inventories/Sales Ratios: 1993 to 2002

(Data adjusted for seasonal, holiday and trading-day differences but not for price changes)



The Manufacturing and Trade Inventories and Sales Report for November is scheduled for release January 15, 2003 at 8:30 a.m. Questions concerning this report may be addressed to: Scott Scheleur (301) 763-2713 (Retail), Dan Sansbury (301) 763-4832 (Manufacturing), or Nancy Piesto (301) 763-2747 (Wholesale). Electronic inquiries may be sent to: retail.trade@census.gov.

The wholesale and manufacturing data in this report also appear in the following monthly Census Bureau publications: Current Industrial Reports (see M3 series for manufacturers data) and Current Business Reports (see BW series for merchant wholesalers). Retail data are available on the Census website at <http://www.census.gov/mrts/www/mrts.html>. October data was released December 4 for Manufacturers and December 10 for merchant wholesalers. The data are also available the day of issue on the Internet-<http://www.census.gov/bussales> - and on Department of Commerce's STAT-USA website; for information, call (202) 482-1986.

Table 1. Estimated Monthly Sales and Inventories for Manufacturers, Retailers, and Merchant Wholesalers
(In millions of dollars)

	Sales			Inventories ¹			Inventories/Sales Ratios		
	Oct. 2002	Sep. 2002	Oct. 2001	Oct. 2002	Sep. 2002	Oct. 2001	Oct. 2002	Sep. 2002	Oct. 2001
	(p)	(r)	(s)	(p)	(r)	(s)			
Adjusted									
Total business ³	831,734	828,454	816,883	1,134,044	1,132,074	1,141,144	1.36	1.37	1.40
Manufacturers ^{3,4}	325,738	322,608	318,134	429,409	429,385	449,047	1.32	1.33	1.41
Retailers.....	273,437	273,048	277,416	420,203	417,303	398,984	1.54	1.53	1.44
Merchant wholesalers.....	232,559	232,798	221,333	284,432	285,386	293,113	1.22	1.23	1.32
Not Adjusted									
Total business.....	858,191	828,884	840,070	1,161,957	1,129,012	1,168,979	1.35	1.36	1.39
Manufacturers ^{3,4}	337,047	339,591	327,510	433,641	429,952	452,760	1.29	1.27	1.38
Retailers.....	272,071	257,995	275,416	441,077	416,134	420,392	1.62	1.61	1.53
Merchant wholesalers.....	249,073	231,298	237,144	287,239	282,926	295,827	1.15	1.22	1.25

See footnotes and notes at the end of Table 3.

(p) Preliminary.

(r) Revised.

(s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

Table 2. Percent Changes for Sales and Inventories -- Manufacturers, Retailers, and Merchant Wholesalers

	Adjusted						Not Adjusted					
	Sales			Inventories			Sales			Inventories		
	Oct. 02/ Sep. 02	Sep. 02/ Aug. 02	Oct. 02/ Oct. 01	Oct. 02/ Sep. 02	Sep. 02/ Aug. 02	Oct. 02/ Oct. 01	Oct. 02/ Sep. 02	Sep. 02/ Aug. 02	Oct. 02/ Oct. 01	Oct. 02/ Sep. 02	Sep. 02/ Aug. 02	Oct. 02/ Oct. 01
Total business.....	0.4	-0.7	1.8	0.2	0.6	-0.6	3.5	-3.7	2.2	2.9	1.4	-0.6
Manufacturers.....	1.0	-0.3	2.4	0.0	0.2	-4.4	-0.7	2.3	2.9	0.9	-0.5	-4.2
Retailers.....	0.1	-1.6	-1.4	0.7	1.3	5.3	5.5	-11.2	-1.2	6.0	4.0	4.9
Merchant wholesalers.....	-0.1	-0.2	5.1	-0.3	0.4	-3.0	7.7	-3.1	5.0	1.5	0.9	-2.9

Table 3. Estimated Monthly Retail Sales, Inventories, and Inventories/Sales Ratios, By Kind of Business

(In millions of dollars)

NAICS Code	Kind of Business	Sales			Inventories ¹			Percent Change In Inventories			Inventories/Sales Ratios		
		Oct. 2002 (p)	Sep. 2002 (r)	Oct. 2001 (s)	Oct. 2002 (p)	Sep. 2002 (r)	Oct. 2001 (s)	Oct. 02/ Sep. 02	Sep. 02/ Aug. 02	Oct. 02/ Oct. 01	Oct. 02	Sep. 02	Oct. 01
	Adjusted ²												
	Retail trade, total.....	273,437	273,048	277,416	420,203	417,303	398,984	0.7	1.3	5.3	1.54	1.53	1.44
	Total (excl. motor veh. & parts).....	202,243	200,331	193,631	284,279	285,353	282,356	-0.4	0.7	0.7	1.41	1.42	1.46
441	Motor vehicle & parts dealers.....	71,194	72,717	83,785	135,924	131,950	116,628	3.0	2.6	16.5	1.91	1.81	1.39
442.3	Furniture, home furn., elect. & appl. stores...	15,934	15,843	14,948	27,049	27,047	24,752	0.0	1.3	9.3	1.70	1.71	1.66
444	Building materials, garden equip & supplies...	26,457	26,441	25,079	42,145	41,600	40,038	1.3	1.7	5.3	1.59	1.57	1.60
445	Food & beverage stores.....	40,150	40,113	39,878	33,056	33,710	33,737	-1.9	0.8	-2.0	0.82	0.84	0.85
448	Clothing & clothing access. stores.....	14,768	13,992	14,074	33,526	33,950	34,374	-1.2	0.5	-2.5	2.27	2.43	2.44
452	General merchandise stores.....	38,754	38,283	36,647	64,648	64,551	65,791	0.2	0.2	-1.7	1.67	1.69	1.80
4521	Dept. strs. (excl. leased depts.).....	18,919	18,705	19,149	39,911	39,926	42,206	0.0	0.3	-5.4	2.11	2.13	2.20
	Not Adjusted												
	Retail trade, total.....	272,071	257,995	275,416	441,077	416,134	420,392	6.0	4.0	4.9	1.62	1.61	1.53
	Total (excl. motor veh. & parts).....	200,839	188,081	191,593	308,030	293,028	306,197	5.1	4.2	0.6	1.53	1.56	1.60
441	Motor vehicle & parts dealers.....	71,232	69,914	83,823	133,047	123,106	114,195	8.1	3.5	16.5	1.87	1.76	1.36
442.3	Furniture, home furn., elect. & appl. stores...	15,254	14,633	14,398	29,538	27,290	27,054	8.2	5.2	9.2	1.94	1.86	1.88
444	Building materials, garden equip & supplies...	27,721	25,748	26,347	41,555	40,685	39,437	2.1	1.3	5.4	1.50	1.58	1.50
445	Food & beverage stores.....	39,876	38,461	39,257	34,143	33,579	34,855	1.7	2.9	-2.0	0.86	0.87	0.89
448	Clothing & clothing access. stores.....	14,156	12,601	13,368	37,784	36,496	38,705	3.5	5.2	-2.4	2.67	2.90	2.91
452	General merchandise stores.....	37,193	33,901	34,916	75,455	68,790	76,713	9.7	7.9	-1.6	2.03	2.03	2.20
4521	Dept. strs. (excl. leased depts.).....	17,956	16,228	17,969	47,255	42,761	49,803	10.5	8.8	-5.1	2.63	2.64	2.77

(p) Preliminary (r) Revised (s) Adjusted data were revised due to concurrent seasonal adjustment. No revisions were made to Not Adjusted data.

¹ Inventories are on a non-LIFO basis as of the end of the month.

² Adjusted for seasonal variations and, in the case of sales, for trading-day differences and holiday variations. Concurrent seasonal adjustment is being used to adjust all sales, shipment and inventory estimates. Concurrent seasonal adjustment uses all available unadjusted estimates as input to the X-12-ARIMA program. The factors derived from the program are applied to the current and previous month estimates and for retail and wholesale estimates a year ago as well. For retail sales, concurrent seasonal adjustment is also used to adjust the advance estimates (published one month before the preliminary estimates) and the estimates one year before the advance month. This explains the revision to retail estimates from a year ago.

³ Total business and manufacturers estimates exclude semiconductor manufacturers. The number of semiconductor manufacturers choosing not to participate in the voluntary manufacturing monthly survey has risen to a level such that the Census Bureau can no longer produce monthly estimates of semiconductor data.

⁴ Manufacturers sales refer to the value of shipments by manufacturers. The shipments data from individual manufacturers are adjusted prior to tabulation for the number of trading days as well as for any variations in the length of the reporting period.

Note: U.S. and group totals include kinds of business not shown. The Manufacturing and Trade Inventory and Sales estimates are based on data from three surveys: the Monthly Retail Trade Survey, the Monthly Wholesale Trade Survey, and the Manufacturers' Shipments, Inventories, and Orders Survey. The sampling variability for retailers and merchant wholesalers can be used to construct a 90 percent confidence interval for the estimates. Over all possible samples, 90 percent of such intervals will cover the true estimate. These intervals are given in parentheses for the estimates on the front page. If, for example, the estimate is up 0.8 percent and the margin of sampling error is ± 1.2 percent, the 90 percent confidence interval is -0.4 percent to +2.0 percent. If the range contains 0, it is uncertain whether there was an increase or decrease. Measures of reliability for Retail and Wholesale sales and inventory levels and changes are included in the detailed monthly press releases for those Industries. Manufacturers do not contribute to estimates of sampling variability because the manufacturer's mail panel is not a probability sample from a known frame and standard errors of the industry estimates cannot be calculated. Estimates from all three surveys are also subject to nonsampling errors, which can arise in any stage of the survey. Such errors include coverage error (failure to accurately represent all population units in the sample) response errors, coding errors, and nonresponse. Although no direct measurement of these errors has been obtained, precautionary steps were taken in all phases of the collection, processing, and tabulation of the data to minimize their influence.